SENATE BILL REPORT

SB 6261

As Reported By Senate Committee On: Ecology & Parks, January 22, 1996

Title: An act relating to providing state funding assistance to local brownfield revitalization efforts.

Brief Description: Providing financial assistance for brownfield cleanup and redevelopment.

Sponsors: Senators Fraser, Deccio, Fairley, Swecker, Spanel, McAuliffe, Hochstatter and Long.

Long.

Brief History:

Committee Activity: Ecology & Parks: 1/18/96, 1/22/96 [DPS-WM].

Ways & Means: 1/30/96.

SENATE COMMITTEE ON ECOLOGY & PARKS

Majority Report: That Substitute Senate Bill No. 6261 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Fraser, Chair; Fairley, Vice Chair; Hochstatter, McAuliffe, Spanel and Swecker.

Staff: Gary Wilburn (786-7453)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Cathy Baker (786-7708)

Background: "Brownfields" is the term commonly used to describe land in urban areas that has historically been devoted to industrial uses and is currently not used or underused. Such lands are vacant or underused for many reasons, but in many cases the contamination of the property from the past uses is a major impediment to reuse. To address these problems, many communities in Washington are integrating cleanup plans with broader areawide redevelopment strategies that build upon the new land use needs of industry. Such "brownfield" redevelopment for industrial uses is generally considered preferable to directing new industries to "greenfields" located in suburban or rural areas, where there exists much less infrastructure and work force to support such uses.

The cleanup of contamination at brownfield sites is complicated for many reasons, including the multiplicity of types of contaminants, the numerous sources of contamination, and the numbers of potentially liable persons (PLPs). All of these complicating factors often contribute to a slow pace of cleanup and discourage new economic uses to locate there. The "tools" available under state and federal "superfund" laws to encourage expeditious cleanup by PLPs may not be suitable for achieving areawide cleanup and industrial revitalization.

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For example, unilateral enforcement orders by governmental regulators are limited to individual PLPs at specific sites and are largely ineffective to forge comprehensive, areawide strategies for cleanup and site reuse. Additionally, state and federal funds available to undertake cleanup directly and later seek cost recovery from PLPs are quite limited, and are generally used for emergency removals of material with great public health concerns.

The local toxics control account provides grants awarded by the Department of Ecology to local governments for three purposes in descending order of priority: (1) cleanup of hazardous waste sites; (2) hazardous waste programs and planning; and (3) solid waste programs and planning. The account provides about \$20 million annually in grants, with the majority being provided for the first priority of cleanup. The department has made a number of grants from the account to address cleanup of industrial areas.

Summary of Substitute Bill: Legislative findings are made regarding the multiple benefits of the cleanup and reuse of brownfields, as well as the barriers to their expeditious cleanup. The findings also describe the approach being taken in many communities of pursuing areawide strategies of brownfield redevelopment, and declare that it is in the state's interest to encourage community-based strategies through financial and technical assistance.

The 1995-1997 biennial capital budget is amended to increase the appropriation from the local toxics control account by \$800,000. A budget proviso is added directing the Department of Ecology to provide \$1 million of the total biennial appropriation as grants to local governments in developing and implementing areawide strategies for industrial land cleanup and reuse. The department is to provide a priority to activities by local governments developed with the participation of property owners, businesses and residents in the area, and that address areas with one or more sites ranked highly on the state's hazard ranking system for waste sites.

Substitute Bill Compared to Original Bill: The appropriation increase is reduced from \$1 million to \$800,000. The proviso language is amended to emphasize grants that facilitate participation of property owners, businesses and residents in the area with brownfield cleanup activities.

Appropriation: \$800,000 from the local toxics control account.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Areawide "brownfield" approaches to cleanup of old industrial lands are being pioneered in several areas of the state and state financial assistance as provided in the bill would significantly help in these efforts.

Testimony Against: None.

Testified: PRO: Eric Johnson, WA Public Ports Assn.; Mary Burg, Department of Ecology; Bruce Wishart, Sierra Club; Russ Segner, Duwamish Coalition; Mike Alvine, King County/Duwamish Coalition; Jerry Smedes, WA Environmental Industry Assn.; Scott Merriman, WA Environmental Council; Jeff Parsons, People for Puget Sound.

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